



Reprinted
March 1, 2005

HOUSE BILL No. 1406

DIGEST OF HB 1406 (Updated March 1, 2005 12:40 am - DI 14)

Citations Affected: IC 7.1-2; IC 7.1-3; IC 7.1-4; IC 7.1-5; noncode.

Synopsis: Alcoholic beverage matters. Increases the term of a retailer or dealer's permit to two years (instead of one year), but requires an annual permit fee. Increases the following permit fees: (1) one-way retailer's or dealer's permit from \$250 to \$375 annually. (2) Two-way retailer's or dealer's permit from \$500 to \$625 annually. (3) Three-way retailer's or dealer's permit from \$750 to \$875 annually. Requires 34% of the permit fees for certain permits to be deposited in the enforcement and administration fund and 66% of the permit fees in the state general fund (currently 100% of the permit fees for these permits are deposited in the general fund.) Changes the distribution of the excise fund to provide that 50% of the excise fund is deposited in the enforcement and administration fund, 25% is distributed to the state general fund, and 25% is distributed to municipal governments. Changes the publication requirement to require that the commission publish notice of a new retailer or dealer's permit and notice of investigation one time in a newspaper of general circulation published in the county where the permit is located. Allows a beer retailer to permit customers to sample beer and flavored malt beverages. Allows a liquor retailer or dealer to allow customers to sample flavored malt beverages. Makes the following changes with respect to supplemental retailer's permit: (1) Estimates the gross food sales requirement. (2) Makes all supplemental
(Continued next page)

Effective: Upon passage; July 1, 2005.

Whetstone, Kuzman

January 13, 2005, read first time and referred to Committee on Public Policy and Veterans Affairs.

February 21, 2005, amended, reported — Do Pass.

February 28, 2005, read second time, amended, ordered engrossed.

HB 1406—LS 7211/DI 87+



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retailer permits \$500 annually. (3) Increases the term of a permit to two years. Increases the fee for a temporary bartender's permit from \$4 to \$5 dollars. Increases the fee for a tobacco certificate to \$200 and the term of a certificate from one to three years. Increases the fee for an employee's permit used to perform volunteer service from \$5 to \$15. Provides that the alcohol and tobacco commission may suspend a permit if the permit holder has not paid the seller of the permit in accordance with the terms of the sale and the seller has obtained a judgment. Allows the alcohol and tobacco commission (commission) to auction not more than five three-way permits to restaurants in Jeffersonville and Clarksville that are located in an economic development district. Requires a minimum bid of \$35,000 and a renewal fee of \$1,350, that are deposited in the enforcement and administration fund. Makes it a Class A infraction for a person to sell or distribute tobacco products to a tobacco retailer who does not hold a valid tobacco sales certificate. Provides that if a primary source of supply acquires the rights to a product and decides not to have a beer wholesaler continue to distribute the product, the wholesaler must be compensated for the loss of the right to distribute the product or the wholesaler will continue to distribute the product. Allows a beer wholesaler to offer a special discount price to a beer dealer or beer retailer if the beer or flavored malt beverage is a brand or package the beer wholesaler has discontinued or the beer or flavored malt beverage will expire within a certain date. Allows a manufacturer of alcoholic beverages to offer on a nondiscriminatory basis bona fide incentives to wholesaler if the incentives are determined based on sales to retailers or dealers occurring during specified times and for specified products. Repeals provisions concerning food sales requirements for issuance of a supplemental retailer's permit. Requires the commission to adopt a definition of "grocery store".

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First Regular Session 114th General Assembly (2005)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2004 Regular Session of the General Assembly.

HOUSE BILL No. 1406

A BILL FOR AN ACT to amend the Indiana Code concerning alcohol and tobacco.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 7.1-2-2-2 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. ~~Qualifications~~
3 ~~and Appointment~~. The prosecutor shall be appointed by the governor
4 for a term of four (4) years to be served at the pleasure of the governor.
5 The prosecutor shall be a resident of the state and a practicing member
6 of the Indiana bar. ~~for at least five (5) years preceding his appointment.~~
7 SECTION 2. IC 7.1-3-1-3 IS AMENDED TO READ AS
8 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) A permit of
9 any type issued by the commission, except as provided in subsections
10 (b) and (f) or unless otherwise provided in this title, shall be in force
11 for one (1) calendar year only, including the day upon which it is
12 granted. At the end of the one (1) year period the permit shall be fully
13 expired and null and void.
14 (b) Notwithstanding subsection (a), ~~in a county containing a~~
15 ~~consolidated city~~, a permit that is subject to section 5.5 or 5.6 of this
16 chapter is effective for two (2) calendar years, including the day upon
17 which the permit is granted. However, a local board may recommend

HB 1406—LS 7211/DI 87+



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to the commission that the permit be issued or renewed for only a one (1) year period. The commission may issue or renew a permit for the period recommended by the local board.

(c) A permittee who is granted a two (2) year permit under subsection (b) or subsection (f) is liable for any annual fees assessed by the commission. The annual fee is due on the annual anniversary date upon which the permit was granted.

(d) If the commission grants a two (2) year permit, the commission may ask a local board to hold a hearing to reconsider the duration of a permittee's permit. A hearing held under this subsection is subject to section 5.5 or 5.6 of this chapter. A local board shall hold the hearing requested by the commission within thirty (30) days before the permittee's next annual anniversary date and forward a recommendation to the commission following the hearing.

(e) If a permittee is granted a permit for more than one (1) year, the commission ~~may~~ **shall** require the permittee to file annually with the commission the information required for an annual permit renewal.

(f) Notwithstanding subsection (a), the following are effective for two (2) calendar years, including the day upon which the permit is granted:

(1) A beer wholesaler's permit issued under IC 7.1-3-3-1.

(2) A wine wholesaler's permit issued under IC 7.1-3-13-1.

(3) A liquor wholesaler's permit issued under IC 7.1-3-8-1.

SECTION 3. IC 7.1-3-1-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18. ~~Publication of Notice.~~ (a) Whenever, under the provisions of this title, publication of notice of application for a permit is required, the publication shall be made in two (2) newspapers of opposite political faith published in the city, town or township **one (1) newspaper of general circulation published in the county** where the permit is to be in effect.

(b) If there is only one (1) newspaper published in the city or town, the notice shall be published in that newspaper and in another newspaper of opposite political faith published in the county; if there is one; and if not, then in any newspaper of general circulation published in the county.

(c) If there is no newspaper published in the city or town where the permit is to be in effect, then the publication shall be made in two (2) newspapers published in the city or town nearest to the city or town where the permit is to be in effect.

~~(d)~~ **(b)** Publication required by this section may be made in any newspaper of general circulation published one (1) or more times each week.

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~~(c)~~ (c) The rates which shall be paid for the advertising of a notice required under this title shall be those required to be paid in case of other notices published for or on behalf of the state.

SECTION 4. IC 7.1-3-4-8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 8. (a) A beer retailer may allow customers to sample beer and flavored malt beverages.**

(b) Sampling is allowed only:

(1) on the beer retailer's permit premises; and

(2) during the beer retailer's regular business hours.

(c) A beer retailer may not charge for samples provided to the customers.

(d) A sample size of beer or flavored malt beverage may not exceed six (6) ounces.

SECTION 5. IC 7.1-3-9-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 11. (a) A liquor retailer may allow customers to sample the following:**

(1) Beer.

(2) Flavored malt beverage.

~~(3)~~ **(3) Wines.**

~~(4)~~ **(4) Liquors.**

~~(5)~~ **(5) Liqueurs and cordials (as defined in 27 CFR 5.22(h)).**

(b) Sampling is permitted only:

(1) on the liquor retailer's permit premises; and

(2) during the permittee's regular business hours.

(c) A liquor retailer may not charge for the samples provided to customers.

(d) Sample size of wines may not exceed one (1) ounce.

(e) In addition to the other provisions of this section, a liquor retailer who allows customers to sample liquors, liqueurs, or cordials shall comply with all of the following:

(1) A liquor retailer may allow a customer to sample only a combined total of two (2) liquor, liqueur, or cordial samples per day.

(2) Sample size of liqueurs or cordials may not exceed one-half (1/2) ounce.

(3) Sample size of liquors may not exceed four-tenths (0.4) ounce.

(f) A sample size of beer may not exceed six (6) ounces.

(g) A sample size of flavored malt beverage may not exceed six (6) ounces.

SECTION 6. IC 7.1-3-10-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 13. (a) A liquor**

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dealer permittee who is a proprietor of a package liquor store may allow customers to sample the following:

(1) Beer.

(2) Flavored malt beverage.

~~(2) (3)~~ Wines.

~~(3) (4)~~ Liquors.

~~(4) (5)~~ Liqueurs and cordials (as defined in 27 CFR 5.22(h)).

(b) Sampling is permitted:

(1) only on the package liquor store permit premises; and

(2) only during the store's regular business hours.

(c) No charge may be made for the samples provided to the customers.

(d) Sample size of wines may not exceed one (1) ounce.

(e) In addition to the other provisions of this section, a proprietor who allows customers to sample liquors, liqueurs, or cordials shall comply with all of the following:

(1) A proprietor may allow a customer to sample not more than a combined total of two (2) liquor, liqueur, or cordial samples per day.

(2) Sample size of liqueurs or cordials may not exceed one-half (1/2) ounce.

(3) Sample size of liquors may not exceed four-tenths (0.4) ounce.

(f) Sample size of beer may not exceed six (6) ounces.

(g) Sample size of flavored malt beverage may not exceed six (6) ounces.

SECTION 7. IC 7.1-3-16.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The commission may issue a supplemental retailer's permit only to a person

~~(1)~~ who is, and continues to be, the holder of a beer retailer's permit, a liquor retailer's permit, or a wine retailer's permit.

~~(2) whose business:~~

~~(A) has had annual gross sales of food and beverages of at least one hundred thousand dollars (\$100,000); of which at least fifty percent (50%) was in the retail sale of food; or~~

~~(B) has had annual gross retail sales of food of at least one hundred thousand dollars (\$100,000);~~

~~for the year immediately preceding the person's application for the permit; and~~

~~(3) whose business operates during seven (7) or more months of the year.~~

(b) Notwithstanding subsection (a), the commission may issue a supplemental retailer's permit to a person whose business operates

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during fewer than seven (7) months of the year if:

(1) the person is, and continues to be, the holder of a beer retailer's permit, a liquor retailer's permit, or a wine retailer's permit; and

(2) the person's business, for each month of business during the year immediately preceding the application for a permit has had:

(A) average monthly gross sales of food and beverages of at least eight thousand five hundred dollars (\$8,500); of which at least fifty percent (50%) was in the retail sale of food; or

(B) average monthly gross retail sales of food of at least eight thousand five hundred dollars (\$8,500):

(c) Notwithstanding subsection (a), The commission may issue a supplemental retailer's permit to a person who meets the following requirements:

(1) Is the proprietor of a recreational facility such as a golf course, bowling center, or similar facility:

(2) Has the recreational activity and not the sale of food and beverages as the principal purpose or function of the person's business:

(3) Is, and continues to be, the holder of a beer retailer's permit, a liquor retailer's permit, or a wine retailer's permit:

(4) Has had at the person's business annual gross sales of food and beverages of at least twenty-five thousand dollars (\$25,000), of which at least twelve thousand five hundred dollars (\$12,500) was in the retail sale of food:

(d) (b) The commission may issue a supplemental retailer's permit to a person who is, and continues to be, the holder of a farm winery permit under IC 7.1-3-12.

SECTION 8. IC 7.1-3-18-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) The commission may issue a temporary bartender's permit to any person who is at least twenty-one (21) years of age for any of the following purposes:

(1) To be a bartender at any activity or event for which a temporary permit is issued under IC 7.1-3-6 (beer) or IC 7.1-3-16 (wine).

(2) To be a bartender at a nonprofit club for a maximum of four (4) days in a year during the same time that a fair or festival is held in the community where the club is located. However, the commission may only issue a maximum of twenty (20) temporary bartender's licenses for use in one (1) club during one (1) fair or festival.

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(b) A temporary bartender's permit is the only license that is required for persons to serve as bartenders for the purposes described in subsection (a).

(c) A temporary bartender at a club may dispense any alcoholic beverage that the club's permit allows the club to serve.

(d) The fee for a temporary bartender's permit is ~~four~~ **five** dollars ~~(\$4): (\$5)~~.

(e) The commission may by rule provide procedures for the issuance of a temporary bartender's permit.

(f) The commission shall revoke a permit issued to a bartender under this section if the bartender is convicted of a Class B misdemeanor for violating IC 7.1-5-10-15(a).

SECTION 9. IC 7.1-3-18.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) A person who desires a certificate must provide the following to the commission:

(1) The applicant's name and mailing address and the address of the premises for which the certificate is being issued.

(2) A fee of ~~fifty dollars (\$50):~~ **two hundred dollars (\$200)**.

(b) A separate certificate is required for each location where the tobacco products are sold or distributed.

(c) The fees collected under this section shall be deposited in the enforcement and administration fund under IC 7.1-4-10.

SECTION 10. IC 7.1-3-18.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) A certificate issued by the commission under this chapter must contain the following information:

(1) The certificate number.

(2) The certificate holder's name.

(3) The permanent location of the business or vending machine for which the certificate is issued.

(4) The expiration date of the certificate.

(b) A certificate is:

(1) valid for ~~one (1) year~~ **three (3) years** after the date of issuance, unless the commission suspends the certificate; and

(2) nontransferable.

SECTION 11. IC 7.1-3-18.5-8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) **As used in this section "tobacco retailer" means a person who sells or otherwise distributes tobacco products at retail.**

(b) **A person who sells or distributes tobacco products to a tobacco retailer who does not hold a valid tobacco sales certificate**

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1 issued by the commission commits a Class A infraction.

2 (c) Each violation of this section constitutes a separate offense.

3 SECTION 12. IC 7.1-3-19-5 IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. ~~Publication of~~
5 ~~Notice of Investigation~~. The commission shall cause two (2) notices
6 **one (1) notice** of the pending investigation to be published in a
7 newspaper in accordance with the provisions of IC ~~1971~~, 7.1-3-1-18.
8 The publication of ~~notices~~ **the notice** shall be ~~one (1) calendar week~~
9 ~~apart, and the first publication shall be at least fifteen (15)~~ **thirty (30)**
10 days before the investigation.

11 SECTION 13. IC 7.1-3-20-13.5 IS AMENDED TO READ AS
12 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13.5.
13 Notwithstanding sections 12 and 13 of this chapter, ~~IC 7.1-3-16.5-2(c),~~
14 ~~and IC 7.1-3-16.5-3(c),~~ there is no annual or monthly gross food sales
15 requirement to obtain a three-way permit ~~or a supplemental retailer's~~
16 ~~permit~~ for the sale of alcoholic beverages in a restaurant that is:

17 (1) open to the general public; and

18 (2) located on:

19 (A) the grounds of a regulation size golf course that has at
20 least nine (9) holes; or

21 (B) the premises of a tennis club that has at least eight (8)
22 regulation size tennis courts.

23 SECTION 14. IC 7.1-3-20-16 IS AMENDED TO READ AS
24 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. (a) A permit that is
25 authorized by this section may be issued without regard to the quota
26 provisions of IC 7.1-3-22.

27 (b) The commission may issue a three-way permit to sell alcoholic
28 beverages for on premises consumption only to an applicant who is the
29 proprietor, as owner or lessee, or both, of a restaurant facility in the
30 passenger terminal complex of a publicly owned airport which is
31 served by a scheduled commercial passenger airline certified to
32 enplane and deplane passengers on a scheduled basis by a federal
33 aviation agency. A permit issued under this subsection shall not be
34 transferred to a location off the airport premises.

35 (c) The commission may issue a three-way, two-way, or one-way
36 permit to sell alcoholic beverages for on premises consumption only to
37 an applicant who is the proprietor, as owner or lessee, or both, of a
38 restaurant within a redevelopment project consisting of a building or
39 group of buildings that:

40 (1) was formerly used as part of a union railway station;

41 (2) has been listed in or is within a district that has been listed in
42 the federal National Register of Historic Places maintained

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pursuant to the National Historic Preservation Act of 1966, as amended; and

(3) has been redeveloped or renovated, with the redevelopment or renovation being funded in part with grants from the federal, state, or local government.

A permit issued under this subsection shall not be transferred to a location outside of the redevelopment project.

(d) The commission may issue a three-way, two-way, or one-way permit to sell alcoholic beverages for on premises consumption only to an applicant who is the proprietor, as owner or lessee, or both, of a restaurant:

(1) on land; or

(2) in a historic river vessel;

within a municipal riverfront development project funded in part with state and city money. A permit issued under this subsection may not be transferred.

(e) The commission may issue a three-way, two-way, or one-way permit to sell alcoholic beverages for on premises consumption only to an applicant who is the proprietor, as owner or lessee, or both, of a restaurant within a renovation project consisting of a building that:

(1) was formerly used as part of a passenger and freight railway station; and

(2) was built before 1900.

The permit authorized by this subsection may be issued without regard to the proximity provisions of IC 7.1-3-21-11.

(f) The commission may issue a three-way permit for the sale of alcoholic beverages for on premises consumption at a cultural center for the visual and performing arts to a town that:

(1) is located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000); and

(2) has a population of more than twenty thousand (20,000) but less than twenty-three thousand (23,000).

(g) The commission may issue a three-way permit for the sale of alcoholic beverages for on premises consumption to an applicant who will locate as the proprietor, owner, or lessee, or both, of a restaurant within an economic development area under IC 36-7-14 in:

(1) a town with a population of more than twenty thousand (20,000); or

(2) a city with a population of more than twenty-seven thousand (27,000) but less than twenty-seven thousand four

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hundred (27,400);
 located in a county having a population of more than ninety thousand (90,000) but less than one hundred thousand (100,000). The commission may issue not more than five (5) licenses under this section to premises within each municipality. The commission shall conduct an auction of the permits under IC 7.1-3-22-9, except that the auction may be conducted at any time as determined by the commission. Notwithstanding any other law, the minimum bid for an initial license under this subsection is thirty-five thousand dollars (\$35,000), and the renewal fee for a license under this subsection is one thousand three hundred fifty dollars (\$1,350). Before the district expires, a permit issued under this subsection may not be transferred. After the district expires, a permit issued under this subsection may be renewed, and the ownership of the permit may be transferred, but the permit may not be transferred from the permit premises. The commission may issue not more than five (5) licenses under this section to premises within each municipality. Notwithstanding any other law, the nonrefundable application fee for an initial license under this subsection is twenty-five thousand dollars (\$25,000), and the renewal fee for a license under this subsection is five thousand dollars (\$5,000). Before the district expires, a permit issued under this subsection may not be transferred. After the district expires, a permit issued under this subsection may be renewed, and the ownership of the permit may be transferred, but the permit may not be transferred from the permit premises.

SECTION 15. IC 7.1-3-23-43 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 43. (a) The commission may suspend the permit of a permit holder if:

- (1) the permit holder has not paid the person who sold the permit to the permit holder in accordance with the terms of the sale;
- (2) the seller of the permit receives a judgment against the permit holder in an action to obtain payment for the permit in accordance with the terms of the sale; and
- (3) the seller of the permit sends a certified copy of the judgment to the commission.

(b) Before suspending a certificate under this section, the commission shall provide written notice to the permit holder and conduct a hearing. The commission shall provide written notice of the suspension to the permit holder.

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(c) If a person who sells a permit:

(1) sends a judgment to the commission under subsection (a);
and

(2) subsequently receives full payment of the judgment;
the seller shall notify the commission in a manner prescribed by
the commission that the seller has received full payment of the
judgment not later than ten (10) days after receiving the payment.

SECTION 16. IC 7.1-3-25 IS ADDED TO THE INDIANA CODE
AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
UPON PASSAGE]:

Chapter 25. Product Transfer Between Wholesalers

Sec. 1. As used in this chapter, "existing wholesaler" means a
beer wholesaler who distributes a product at the time a successor
primary source of supply acquires rights to a product under
section 5 of this chapter.

Sec. 2. As used in this chapter, "product" means an existing
brand of:

- (1) beer (as defined in IC 7.1-1-3-6); or
- (2) flavored malt beverage (as defined in IC 7.1-1-3-16.7).

Sec. 3. As used in this chapter "successor" means a primary
source of supply that acquires rights to a product under section 5
of this chapter.

Sec. 4. As used in this chapter, "successor's designee" means one
(1) or more beer wholesalers designated by a successor to replace
the existing wholesaler, for all or part of the existing wholesaler's
territory, in the distribution of the existing product.

Sec. 5. A successor:

- (1) who acquires the rights to manufacture or distribute an
existing product; and
- (2) who:

(A) does not reappoint the existing wholesaler to distribute
the product;

(B) reduces the existing wholesaler's territory for the
product; or

(C) offers to compensate the existing wholesaler in an
amount less than the fair market value determined under
section 7 of this chapter;

must comply with this chapter. A successor's designee must also
comply with this chapter.

Sec. 6. The successor shall notify the existing wholesaler of the
successor's intent not to appoint the existing wholesaler for all or
a part of the existing wholesaler's territory for the product. The

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1 successor shall mail the notice by certified mail, return receipt
2 requested, to the existing wholesaler. The successor shall include
3 in the notice the names, addresses, and telephone numbers of the
4 successor's designees.

5 Sec. 7. A successor's designee shall negotiate with the existing
6 wholesaler to determine the fair market value of the existing
7 wholesaler's right:

8 (1) to distribute the product in the existing wholesaler's
9 territory immediately before the successor acquired rights to
10 the product under section 5 of this chapter; and

11 (2) as determined in an arms length transaction entered into
12 without duress or threat of termination of the initial
13 wholesaler's right described in subdivision (1).

14 Sec. 8. The existing wholesaler shall continue to distribute the
15 product until payment of the compensation agreed to under section
16 7 of this chapter or awarded under section 11 of this chapter is
17 received.

18 Sec. 9. (a) The successor's designee and the existing wholesaler
19 shall negotiate in good faith. If the parties fail to reach an
20 agreement not later than thirty (30) days after the existing
21 wholesaler receives the notice under section 6 of this chapter, the
22 successor's designee or the existing wholesaler may send a written
23 notice to the:

24 (1) other party; and

25 (2) American Arbitration Association or its successor in
26 interest;

27 declaring the party's intention to proceed with final and binding
28 arbitration administered by the American Arbitration Association
29 under the American Arbitration Association's Commercial
30 Arbitration Rules.

31 (b) Notice of intent to arbitrate shall be sent, as provided in
32 subsection (a), not later than thirty-five (35) days after the existing
33 wholesaler receives notice under section 6 of this chapter. The
34 arbitration proceedings shall conclude not later than forty-five (45)
35 days after the date the notice of intent to arbitrate is mailed to a
36 party.

37 Sec. 10. (a) The arbitration shall be conducted in the city within
38 Indiana that:

39 (1) is closest to the existing wholesaler; and

40 (2) has a population of more than fifty thousand (50,000).

41 (b) The arbitration shall be conducted before one (1) impartial
42 arbitrator to be selected by the American Arbitration Association.

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1 The arbitration shall be conducted in accordance with the rules
2 and procedures of the American Arbitration Association.

3 Sec. 11. The arbitrator's award must be monetary only and may
4 not enjoin or compel conduct. The arbitration is instead of all other
5 remedies and procedures.

6 Sec. 12. (a) The cost of the arbitrator and any other direct costs
7 of the arbitration shall be equally divided by the parties engaged
8 in the arbitration. All other costs shall be paid by the party
9 incurring them.

10 (b) The arbitrator shall render a decision not later than thirty
11 (30) days after the conclusion of the arbitration unless this time
12 period is extended by mutual agreement of the parties or by the
13 arbitrator. The decision of the arbitration is final and binding on
14 the parties. Under no circumstances may the parties appeal the
15 decision of the arbitrator.

16 (c) A party who fails to participate in the arbitration hearings
17 waives all rights the party would have had in the arbitration and
18 is considered to have consented to the determination of the
19 arbitrator.

20 Sec. 13. If the existing wholesaler does not receive payment of
21 the compensation under section 7 or 11 of this chapter not later
22 than thirty (30) days after the date of the settlement or arbitration
23 award:

24 (1) the existing wholesaler shall remain the distributor of the
25 product in the existing wholesaler's territory to at least the
26 same extent that the existing wholesaler distributed the
27 product immediately before the successor acquired rights to
28 the product; and

29 (2) the existing wholesaler is not entitled to the settlement or
30 arbitration award.

31 Sec. 14. Nothing in this chapter shall be construed to limit or
32 prohibit good faith settlements voluntarily entered into by the
33 parties.

34 Sec. 15. Nothing in this chapter shall be construed to give the
35 existing wholesaler or a successor wholesaler any right to
36 compensation if the existing wholesaler or successor wholesaler is
37 terminated by the primary source of supply or predecessor source
38 supplier either for failure to comply with any provision in the
39 agreement to distribute the product or in accordance with
40 IC 7.1-5-5-9.

41 SECTION 17. IC 7.1-4-4.1-3 IS AMENDED TO READ AS
42 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. The following

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biennial license fee is imposed for an employee's permit:

- (1) ~~Five~~ **Fifteen** dollars (~~\$5~~) (**\$15**) if the permit is used only to perform volunteer service that benefits a nonprofit organization.
- (2) Thirty dollars (\$30) if subdivision (1) does not apply.

The term of a biennial employee's license is two (2) years.

SECTION 18. IC 7.1-4-4.1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. A ~~biennial~~ license fee of ~~twenty one hundred~~ dollars (~~\$20~~) (**\$100**) is imposed for a salesman's license. The term of a ~~biennial~~ salesman's license is ~~two~~ (**four**) years.

SECTION 19. IC 7.1-4-4.1-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) This section applies to the following ~~seasonal or annual~~ **biennial** permits:

- (1) Beer retailer's permit.
- (2) Liquor retailer's permit.
- (3) Wine retailer's permit.
- (4) One-way permit.
- (5) Two-way permit.
- (6) Three-way permit.
- (7) Airplane beer permit.
- (8) Airplane liquor permit.
- (9) Airplane wine permit.
- (10) Boat beer permit.
- (11) Boat liquor permit.
- (12) Boat wine permit.
- (13) Dining car beer permit.
- (14) Dining car liquor permit.
- (15) Dining car wine permit.
- (16) Hotel seasonal permit.
- (17) Supplemental retailer's permit.

(b) The commission shall charge a single fee for the issuance of any combination of retailer's permits issued for the same location or conveyance. Except as provided in sections 10 and 11 of this chapter, the fee is equal to the sum of the amount determined under subsection (c) and the amount determined under subsection (d).

(c) An annual permit fee in the following amount is imposed on a retailer:

- (1) ~~Two hundred fifty~~ **Three hundred seventy-five** dollars (~~\$250~~) (**\$375**), if the retailer serves only beer or only wine.
- (2) ~~Five hundred~~ **Six hundred twenty-five** dollars (~~\$500~~) (**\$625**), if the retailer serves both beer and wine but no liquor.
- (3) ~~Seven hundred fifty~~ **Eight hundred seventy-five** dollars

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~~(\$750); (\$875),~~ if the retailer serves beer, wine, and liquor.

(d) An additional **annual** fee ~~in the following amount~~ is imposed on a retailer

~~(1) Two hundred fifty dollars (\$250); if the retailer under the authority of IC 7.1-3-16.5 sells food and any combination of beer, wine, or liquor on Sunday;~~

~~(2) One thousand five hundred dollars (\$1,500) of five hundred dollars (\$500) if the retailer who is not under the authority of IC 7.1-3-16.5, sells any combination of beer, wine, or liquor on Sunday.~~

SECTION 20. IC 7.1-4-4.1-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) This section applies to the following **biennial** permits:

(1) Beer dealer's permit.

(2) Liquor dealer's permit.

(3) Malt dealer's permit.

(4) Wine dealer's permit.

(b) The commission shall charge a single fee for the issuance of any combination of dealers' permits issued for the same location. The fee is equal to the sum of the amount determined under subsection (c).

(c) An annual permit fee in the following amount is imposed on a dealer:

~~(1) Two hundred fifty~~ **Three hundred seventy-five** dollars ~~(\$250); (\$375),~~ if the dealer sells only beer, only liquor, or only wine.

~~(2) Five hundred~~ **Six hundred twenty-five** dollars ~~(\$500); (\$625),~~ if the dealer sells:

(A) both beer and wine but no liquor;

(B) both wine and liquor but no beer; or

(C) both beer and liquor but no wine.

~~(3) Seven hundred fifty~~ **Eight hundred seventy-five** dollars ~~(\$750); (\$875),~~ if the dealer sells beer, wine, and liquor.

SECTION 21. IC 7.1-4-7-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) Except as provided in subsection (b), the chairman and the department shall deposit the money collected under sections 1, 2, and 3 of this chapter daily with the treasurer of state, and not later than the fifth day of the following month shall cover: ~~them~~

(1) thirty-four percent (34%) of the money collected under section 1 of this chapter into the enforcement and administration fund established under IC 7.1-4-10-1; and

(2) sixty-six percent (66%) of the money collected under

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1 **section 1 of this chapter and money collected under sections**
 2 **2 and 3 of this chapter** into the state general fund of state for
 3 state general fund purposes.

4 (b) The chairman and the department shall deposit ~~the~~ **all** money
 5 collected under IC 7.1-2-5-3, IC 7.1-2-5-8, IC 7.1-3-17.5,
 6 IC 7.1-3-17.7, IC 7.1-3-22-9, and IC 7.1-4-4.1-5 daily with the treasurer
 7 of state, and not later than the fifth day of the following month shall
 8 cover ~~them~~ **the money** into the enforcement and administration fund
 9 established under IC 7.1-4-10-1.

10 SECTION 22. IC 7.1-4-9-3 IS AMENDED TO READ AS
 11 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. ~~Fees Deposited in~~
 12 ~~Excise Fund.~~ **(a) Except as provided in subsection (b),** the chairman
 13 shall deposit the monies collected under the authority of this chapter
 14 daily with the treasurer of the state, and not later than the fifth day of
 15 the following month shall cover them into the "excise fund" to be
 16 distributed as provided in this chapter.

17 **(b) The chairman shall deposit the money received from the**
 18 **collection of the fees for a three-way permit under**
 19 **IC 7.1-3-20-16(g) daily with the treasurer of state, and not later**
 20 **than the fifth day of the following month shall transfer the money**
 21 **into the enforcement and administration fund of the commission**
 22 **under IC 7.1-4-11.**

23 SECTION 23. IC 7.1-4-9-4 IS AMENDED TO READ AS
 24 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. ~~Distribution to~~
 25 ~~State General Fund: Thirty-three and one-third percent (33 1/3%)~~
 26 **Twenty-five percent (25%)** of the ~~monies~~ **money** in the excise fund
 27 shall be deposited in the state general fund on the first day of June and
 28 the first day of December of each year.

29 SECTION 24. IC 7.1-4-9-7 IS AMENDED TO READ AS
 30 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. ~~Distribution to~~
 31 ~~Cities and Towns: Sixty-six and two-thirds percent (66 2/3%)~~
 32 **Twenty-five percent (25%)** of the ~~monies~~ **money** in the excise fund
 33 shall, upon warrant of the state auditor, be paid into the general fund of
 34 the treasury of the city or town in which the retailer's or dealer's
 35 licensed premises are located. The money shall be paid to the treasurer
 36 of the county in which the retailer's or dealer's premises are located if
 37 they are located outside the corporate limits of a city or town.

38 SECTION 25. IC 7.1-4-9-7.5 IS ADDED TO THE INDIANA
 39 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 40 [EFFECTIVE UPON PASSAGE]: **Sec. 7.5. Fifty percent (50%) of**
 41 **the money in the excise fund shall be deposited in the enforcement**
 42 **and administration fund under IC 7.1-4-10 on the first day of June**

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1 **and the first day of December of each year.**

2 SECTION 26. IC 7.1-4-11-2.5 IS ADDED TO THE INDIANA
3 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
4 [EFFECTIVE JULY 1, 2005]: **Sec. 2.5. The chairman shall deposit**
5 **the money received from the collection of the fees for a three-way**
6 **permit under IC 7.1-3-20-16(g) daily with the treasurer of state,**
7 **and not later than the fifth day of the following month shall**
8 **transfer the money into the enforcement and administration fund.**

9 SECTION 27. IC 7.1-5-5-7 IS AMENDED TO READ AS
10 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) It is unlawful
11 for a permittee in a sale or contract to sell alcoholic beverages to
12 discriminate between purchasers by granting a price, discount,
13 allowance, or service charge which is not available to all purchasers at
14 the same time. However, this section does not authorize or require a
15 permittee to sell to a person to whom he is not authorized to sell under
16 this title.

17 (b) A premises that operates at least two (2) restaurants that are
18 separate and distinct from each other on the same premises may
19 provide for a different schedule of prices in each restaurant if each
20 restaurant conforms to all other laws and rules of the commission
21 regarding pricing and price discrimination in its separate and distinct
22 areas.

23 (c) This section does not apply to the holder of an excursion and
24 adjacent landsite permit that complies with IC 7.1-3-17.5-6.

25 **(d) Notwithstanding subsection (a), a beer wholesaler may offer**
26 **a special discount price to a beer dealer or beer retailer for beer or**
27 **flavored malt beverage, if the beer or flavored malt beverage:**

28 **(1) is a brand or package the beer wholesaler has**
29 **discontinued; or**

30 **(2) will expire in not more than:**

31 **(A) twenty (20) days for packaged beer or packaged**
32 **flavored malt beverage; and**

33 **(B) ten (10) days for draft beer or draft flavored malt**
34 **beverage.**

35 **(e) The special discount under subsection (d) only applies to**
36 **beer or flavored malt beverage that will expire and be subject to**
37 **removal from retailer or dealer shelves in accordance with the**
38 **primary source of supply's coding data clearly identified on the**
39 **container.**

40 **(f) Any beer or flavored malt beverage sold at a special discount**
41 **price under subsection (d) shall be accompanied by an invoice**
42 **clearly designating, in addition to all other information required by**

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law, all the following information:

(1) The date of delivery.

(2) The expiration date of each brand, package type, and quantity delivered.

(3) The per unit price for each package.

SECTION 28. IC 7.1-5-5-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. ~~Unequitable Termination of Contract Prohibited~~. It is unlawful for a beer wholesaler or a brewer in this state, or a brewer or other person located outside this state who sells beer to a permittee in this state for the purpose of importation and resale within this state **primary source of supply** to:

(1) coerce, or attempt to coerce, or persuade a beer wholesaler to enter into an agreement, or to take an action, which will violate, or tend to violate, a provision of this title or of the rules and regulations of the commission; or,

(2) cancel or terminate an agreement or contract between a beer wholesaler and a ~~brewer~~ **primary source of supply** for the sale of beer, unfairly and without due regard for the equities of the other party.

SECTION 29. IC 7.1-5-5-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) Except as provided in ~~subsection~~ **subsections (c) and (d)**, it is unlawful for a manufacturer of alcoholic beverages or a permittee authorized to sell and deliver alcoholic beverages to:

(1) give, supply, furnish, or grant to another permittee who purchases alcoholic beverages from him a rebate, sum of money, accessory, furniture, fixture, loan of money, concession, privilege, use, title, interest, lease, or rental of premises; or

(2) except as provided in IC 7.1-3-2-9 and IC 7.1-3-3-5(f), have a business dealing with the other permittee.

(b) This section shall not apply to the sale and delivery and collection of the sale price of an alcoholic beverage in the ordinary course of business.

(c) If the promotional program is approved under the rules adopted by the commission and is conducted in all wholesaler establishments through which the manufacturer distributes alcoholic beverages in Indiana, a manufacturer of alcoholic beverages may award bona fide promotional prizes and awards to any of the following:

(1) A person with a wholesaler's permit issued under IC 7.1-3.

(2) An employee of a person with a wholesaler's permit issued under IC 7.1-3.

(d) A manufacturer may offer on a nondiscriminatory basis

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1 bona fide incentives to wholesalers when the incentives are
2 determined based on sales to retailers or dealers occurring during
3 specified times for specified products. The incentive may be
4 conditioned on the wholesaler selling a:

5 (1) specified product at a specified price or less than a
6 specified price; or

7 (2) minimum quantity of a specified product to a single
8 customer in a single transaction.

9 The incentive may not be conditioned on a wholesaler having total
10 sales of a minimum quantity of a specified product during the
11 applicable period.

12 SECTION 30. THE FOLLOWING ARE REPEALED [EFFECTIVE
13 UPON PASSAGE]: IC 7.1-3-16.5-3; IC 7.1-3-16.5-4.

14 SECTION 31. [EFFECTIVE UPON PASSAGE] (a) The alcohol
15 and tobacco commission shall adopt a definition of "grocery store"
16 for purposes of administering IC 7.1-3, as amended by this act,
17 before January 31, 2006.

18 (b) This SECTION expires December 31, 2006.

19 SECTION 32. An emergency is declared for this act.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy and Veterans Affairs, to which was referred House Bill 1406, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete everything after the enacting clause and insert the following:

(SEE TEXT OF BILL)

and when so amended that said bill do pass.

(Reference is to HB 1406 as introduced.)

ALDERMAN, Chair

Committee Vote: yeas 10, nays 0.

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HOUSE MOTION

Mr. Speaker: I move that House Bill 1406 be amended to read as follows:

Page 1, line 14, strike "in a county containing a".

Page 1, line 15, strike "consolidated city,".

Page 2, line 16, strike "may" and insert "**shall**".

Page 2, delete lines 24 through 36, begin a new paragraph and insert:

"SECTION 3. IC 7.1-3-1-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18. ~~Publication of Notice.~~ (a) Whenever, under the provisions of this title, publication of notice of application for a permit is required, the publication shall be made in ~~two (2) newspapers of opposite political faith published in the city, town or township~~ **one (1) newspaper of general circulation published in the county** where the permit is to be in effect.

(b) If there is ~~only one (1) newspaper published in the city or town,~~ the notice shall be published in that newspaper and in another newspaper of opposite political faith published in the county; if there is ~~one,~~ and if not, then in any newspaper of general circulation published in the county.

(c) If there is no newspaper published in the city or town where the permit is to be in effect, then the publication shall be made in two (2) newspapers published in the city or town nearest to the city or town where the permit is to be in effect.

(d) (b) Publication required by this section may be made in any newspaper of general circulation published one (1) or more times each week.

(e) (c) The rates which shall be paid for the advertising of a notice required under this title shall be those required to be paid in case of other notices published for or on behalf of the state."

Page 3, delete lines 6 through 24.

Page 4, delete lines 36 through 42.

Page 5, delete lines 1 through 15.

Page 6, line 38, delete "ten" and insert "**five**".

Page 6, line 39, delete "(\$10)." and insert "**(\$5).**".

Page 7, delete lines 35 through 42, begin a new paragraph and insert:

"SECTION 10. IC 7.1-3-19-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. ~~Publication of Notice of Investigation.~~ The commission shall cause ~~two (2) notices~~ **one (1) notice** of the pending investigation to be published in a

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newspaper in accordance with the provisions of IC 1971, 7.1-3-1-18. The publication of ~~notices~~ **the notice** shall be ~~one (1) calendar week apart, and the first publication shall be at least fifteen (15)~~ **thirty (30)** days before the investigation."

Page 8, delete lines 1 through 6.

Page 8, line 9, delete "chapter and" and insert "chapter,".

Page 8, line 10, strike "IC 7.1-3-16.5-2(c),".

Page 8, line 11, strike "or".

Page 8, line 12, strike "a supplemental retailer's permit".

Page 9, delete lines 31 through 42, begin a new paragraph and insert:

"(g) The commission may issue a three-way permit for the sale of alcoholic beverages for on premises consumption to an applicant who will locate as the proprietor, owner, or lessee, or both, of a restaurant within an economic development area under IC 36-7-14 in:

(1) a town with a population of more than twenty thousand (20,000); or

(2) a city with a population of more than twenty-seven thousand (27,000) but less than twenty-seven thousand four hundred (27,400);

located in a county having a population of more than ninety thousand (90,000) but less than one hundred thousand (100,000). The commission may issue not more than five (5) licenses under this section to premises within each municipality. The commission shall conduct an auction of the permits under IC 7.1-3-22-9, except that the auction may be conducted at any time as determined by the commission. Notwithstanding any other law, the minimum bid for an initial license under this subsection is thirty-five thousand dollars (\$35,000), and the renewal fee for a license under this subsection is one thousand three hundred fifty dollars (\$1,350). Before the district expires, a permit issued under this subsection may not be transferred. After the district expires, a permit issued under this subsection may be renewed, and the ownership of the permit may be transferred, but the permit may not be transferred from the permit premises."

Page 11, line 27, delete "of termination".

Page 13, line 4, delete "from".

Page 13, line 5, delete "the successor".

Page 13, delete lines 25 through 31, begin a new paragraph and insert:

"SECTION 15. IC 7.1-4-4.1-3 IS AMENDED TO READ AS



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FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. The following biennial license fee is imposed for an employee's permit:

(1) ~~Five~~ **Fifteen** dollars (~~\$5~~) (**\$15**) if the permit is used only to perform volunteer service that benefits a nonprofit organization.

(2) Thirty dollars (\$30) if subdivision (1) does not apply.

The term of a biennial employee's license is two (2) years."

Page 13, delete lines 37 through 42, begin a new paragraph and insert:

"SECTION 17. IC 7.1-4-4.1-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE] : Sec. 9. (a) This section applies to the following ~~seasonal or annual~~ **biennial** permits:

- (1) Beer retailer's permit.
- (2) Liquor retailer's permit.
- (3) Wine retailer's permit.
- (4) One-way permit.
- (5) Two-way permit.
- (6) Three-way permit.
- (7) Airplane beer permit.
- (8) Airplane liquor permit.
- (9) Airplane wine permit.
- (10) Boat beer permit.
- (11) Boat liquor permit.
- (12) Boat wine permit.
- (13) Dining car beer permit.
- (14) Dining car liquor permit.
- (15) Dining car wine permit.
- (16) Hotel seasonal permit.
- (17) Supplemental retailer's permit.

(b) The commission shall charge a single fee for the issuance of any combination of retailer's permits issued for the same location or conveyance. Except as provided in sections 10 and 11 of this chapter, the fee is equal to the sum of the amount determined under subsection (c) and the amount determined under subsection (d).

(c) An annual permit fee in the following amount is imposed on a retailer:

- (1) ~~Two hundred fifty~~ **Three hundred seventy-five** dollars (~~\$250~~); (**\$375**), if the retailer serves only beer or only wine.
- (2) ~~Five hundred~~ **Six hundred twenty-five** dollars (~~\$500~~); (**\$625**), if the retailer serves both beer and wine but no liquor.
- (3) ~~Seven hundred fifty~~ **Eight hundred seventy-five** dollars (~~\$750~~); (**\$875**), if the retailer serves beer, wine, and liquor.

(d) An additional **annual** fee in the following amount is imposed on

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a retailer

(1) ~~Two hundred fifty dollars (\$250); if the retailer under the authority of IC 7.1-3-16.5 sells food and any combination of beer, wine, or liquor on Sunday.~~

(2) ~~One thousand five hundred dollars (\$1,500)~~ **of five hundred dollars (\$500)** if the retailer ~~who is not under the authority of IC 7.1-3-16.5;~~ sells any combination of beer, wine, or liquor on Sunday.

SECTION 18. IC 7.1-4-4.1-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) This section applies to the following **biennial** permits:

- (1) Beer dealer's permit.
- (2) Liquor dealer's permit.
- (3) Malt dealer's permit.
- (4) Wine dealer's permit.

(b) The commission shall charge a single fee for the issuance of any combination of dealers' permits issued for the same location. The fee is equal to the sum of the amount determined under subsection (c).

(c) An annual permit fee in the following amount is imposed on a dealer:

(1) ~~Two hundred fifty~~ **Three hundred seventy-five** dollars ~~(\$250); (\$375)~~, if the dealer sells only beer, only liquor, or only wine.

(2) ~~Five hundred~~ **Six hundred twenty-five** dollars ~~(\$500); (\$625)~~, if the dealer sells:

- (A) both beer and wine but no liquor;
- (B) both wine and liquor but no beer; or
- (C) both beer and liquor but no wine.

(3) ~~Seven hundred fifty~~ **Eight hundred seventy-five** dollars ~~(\$750); (\$875)~~, if the dealer sells beer, wine, and liquor."

Delete page 14.

Page 15, delete lines 1 through 26.

Page 15, line 33, delete "forty percent (40%)" and insert **"thirty-four percent (34%)"**.

Page 15, line 36 delete "sixty percent (60%)" and insert **"sixty-six percent (66%)"**.

Page 16, delete lines 4 through 10.

Page 16, line 12, strike "Fees".

Page 16, line 19, delete "IC 7.1-3-20-16" and insert **"IC 7.1-3-20-16(g)"**.

Page 17, delete lines 2 through 14.

Page 17, line 19, delete "IC 7.1-3-20-16" and insert

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"IC 7.1-3-20-16(g)".

Page 19, line 26, delete "IC 7.1-3-1-18;"

Page 19, line 26, delete "IC 7.1-3-16.5-4; and insert
"IC 7.1-3-16.5-4."

Page 19, delete line 27.

Renumber all SECTIONS consecutively.

(Reference is to HB 1406 as printed February 22, 2005.

WHETSTONE

HOUSE MOTION

Mr. Speaker: I move that House Bill 1406 be amended to read as follows:

Page 19, between lines 27 and 28, begin a new paragraph and insert:

"SECTION 40. [EFFECTIVE UPON PASSAGE] **(a) The alcohol and tobacco commission shall adopt a definition of "grocery store" for purposes of administering IC 7.1-3, as amended by this act, before January 31, 2006.**

(b) This SECTION expires December 31, 2006."

Renumber all SECTIONS consecutively.

(Reference is to HB 1406 as printed February 22, 2005.)

ALDERMAN

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